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DE RUEHLP #2004/01 2621101
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P 181101Z SEP 08
FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 8548
INFO RUEHAC/AMEMBASSY ASUNCION 8348
RUEHBO/AMEMBASSY BOGOTA 5703
RUEHBR/AMEMBASSY BRASILIA 9667
RUEHBU/AMEMBASSY BUENOS AIRES 6884
RUEHCV/AMEMBASSY CARACAS 3956
RUEHGE/AMEMBASSY GEORGETOWN 0837
RUEHPE/AMEMBASSY LIMA 4267
RUEHMD/AMEMBASSY MADRID 4238
RUEHMN/AMEMBASSY MONTEVIDEO 5780
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C O N F I D E N T I A L LA PAZ 002004

SIPDIS

E.O. 12958: DECL: 09/14/2018
TAGS: [PGOV](#) [PREL](#) [PTER](#) [ASEC](#) [EPET](#) [PHUM](#) [BL](#)
SUBJECT: BOLIVIA: DEAL AND DIALOGUE IN DOUBT

REF: LA PAZ 1973

Classified By: Acting EcoPol Chief Brian Quigley reasons 1.4 b,d

¶1. (C) Summary: Opposition and government-aligned groups initially reacted positively to the news of a "pre-negotiation" agreement between President Morales and opposition Tarija Prefect Mario Cossio (who negotiated on behalf of the opposition association CONALDE.) The agreement supposedly calls for: "respect" for autonomy, lifting of blockades, return of state institutions taken in the opposition departments, return of IDH hydrocarbon tax revenues to the departments, a one-month delay on a call for a constitutional referendum, and international facilitators (UN, EU, UNASUR, the OAS and the Catholic Church are mentioned). Already there are questions as to how long the deal will last, however, as press reports indicate that the government plans to push for movement on its Movement Toward Socialism (MAS)-drafted constitution within the week. Analysts suggest that this agreement may follow the typical Bolivian pattern: provide a short truce in which both sides can lick their wounds before conflict begins again. End Summary.

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Opposition Prefect Cossio's Staff Hopes for Truce
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¶2. (C) Hugo Carvajal, International Relations advisor for the Tarija prefecture, told Emboff that he believes the deal will hold for at least a month as negotiations begin. He credited Cardinal Julio Terrazas for much of the progress in bringing the parties together to negotiate. Carvajal opined that the opposition's weakness lies in the fact that the prefects are individually strong in their own departments but cannot project their influence beyond their departments. He described Santa Cruz as being "business first", Beni as "young and inexperienced, timid nationally", and Tarija as split between multiple party traditions.

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Santa Cruz Has "Zero Faith"
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13. (C) Alberto Costas, Santa Cruz Prefect Ruben Costas' brother and advisor, told Emboff that on paper the pre-dialogue agreement appeared very good. Cossio had tried to negotiate Pando Prefect Leopoldo Fernandez' release and a lifting of martial law in Pando but was shut down immediately by Vice President Garcia Linera. CONALDE arranged for a public signing of the document with Cardinal Terrazas present to pressure to Evo Morales to also sign. Alberto Costas told Emboff that CONALDE has "zero faith" that the agreement will actually be honored, however.

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Pando's Smoking Gun
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14. (C) The deal does not provide any legal protection for opposition Pando Prefect Leopoldo Fernandez, who was arrested in Pando after Presidency Minister Quintana invited him to a meeting and at which he was taken into military custody. The government's treatment of an elected official may be a key determinant as to whether the deal with the opposition holds. Another key issue could be the results of any international investigations into the violence in Pando. The government has already tried to keep private media out of the area. Opposition and MAS sources tell us that the violence in Pando was sparked by government actions and that an active-duty military personnel was among the government-aligned "campesino" dead. If an international investigation highlights significant government involvement in the violence, it will undermine the government's accusations of "genocide" against the prefecture.

15. (C) Opposition sources tell us that the government is particularly sensitive to any questions regarding the violence in Pando because of Presidency Minister Quintana's leading role in organizing campesino militants to attack the opposition-aligned forces. Reportedly Quintana gave orders to Pando MAS organizer and ex-Cobija mayor Miguel "Chiquitin" Becerra while also financing Chiquitin and his campesino fighters (reftel). According to a military contact of opposition strategist Javier Flores, Quintana was in a panic in the days following September 11 because he feared evidence would link him to the conflict. Flores told Emboff that Quintana masterminded the taking of the Cobija airport and state of siege to keep others out so that the government could cover its tracks. Chiquitin reportedly threatened to execute his prefecture prisoners in order to keep Fernandez quiet. Opposition contacts tell us that Quintana managed his coverup: when the military took over the prefecture building on September 16, they took the prisoners and bodies, including the body which the opposition believes it has proven was an active-duty soldier. Flores intends to push CONALDE to publicly request INTERPOL head an investigation.

16. (C) Currently Fernandez's location is a secret and although legally the government can only hold him for 48 hours, government sources are saying they intend to hold him the full 90 days of martial law. Bolivia's Human Rights Ombudsman has asked to see the prisoners, including Fernandez, as is his constitutional right, but so far the government has refused. Since the MAS has gutted the Constitutional Tribunal, there is no body to appeal to should the government continue to stonewall an open investigation.

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Opposition Expects Further Violence
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17. (C) Opposition Strategist Javier Flores told Emboff the morning of September 17 that the dialogue will break down, "it's only a question of when." Flores and opposition civic leader Branko Marinkovic predict more violence after the dialogue fails. Some radicals in the Santa Cruz prefecture and Santa Cruz civic committee reportedly wanted to stop the process yesterday and begin blowing up gas lines, but Flores and Marinkovic advocated playing out the dialogue option first. Once dialogue breaks down, however, the opposition

group CONALDE is generally in agreement that the next stage is to blow up gas lines. CONALDE is reportedly already discussing next steps at their meeting the afternoon of September 17.

¶8. (C) Marinkovic and Flores share the perception that the government will never accept an agreement, regardless of the details. Flores expects the government to object to the Fernandez issue first, and then the next most contentious issues, such as return of hydrocarbon tax revenues or the constitutional referendum. According to Flores: "Both the government and the opposition are only buying time. No one wants to be the first one to leave the table."

¶9. (C) Opposition contacts see international appearances and pressure from Brazilian President Lula as the only things keeping President Morales from breaking dialogue completely. Reportedly Lula told Morales after the UNASUR summit that "if you stop with dialogue, you will be alone." (Note: This information reportedly comes from Brazilian staffers who spoke with opposition Senator Oscar Ortiz in Santiago. End note.) Flores thinks this is bluster, as Lula may want a peaceful negotiation but would never abandon Morales.

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Government Reportedly Moving Against Opposition Leaders
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¶10. (C) Flores claims that Vice Minister of Justice Walter Chavez has begun "creating" charges against opposition leaders. The black list reportedly includes national opposition leaders as well as prefects and civic committee leaders. The opposition's contact in the prosecutor's office tells them that the trumped up charges will be filed within days. Vice President Garcia Linera has recently made public statements about how opposition congressmen "need to be brought to justice."

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Comment
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¶11. (C) The government seems to be moving against the opposition both publicly and behind the scenes, while a government cover-up may be underway in Pando. The opposition is waiting for the government to abandon negotiations first, while planning their acts of retaliation for the "inevitable" breakdown of talks. International involvement is probably the only thing that brought the two sides this far and will be needed to keep the process going. However, international engagement may not be enough to drag two unwilling parties to negotiate in good faith.

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